

**Department of Health and Human Services  
Health Care Financing Administration  
Operational Policy Letter #80  
OPL99.080**

**Date:** February 8, 1999

**Subject:** Coverage for dialysis outside the Medicare+Choice (M+C) service area for beneficiaries with End Stage Renal Disease (ESRD).

**Question:**

Can a M+C plan require a member to receive prior authorization for medically necessary dialysis treatments when they are temporarily out of their M+C plan's service area?

**Background:**

The Medicare Part C regulations at 42 CFR §422.100(b)(iii) require M+C organizations to make timely and reasonable payment to non-contracting providers for renal dialysis services provided when a plan enrollee is temporarily outside the plan's service area. A temporary move is: (1) an absence from the service area of 12 months or less, and (2) maintaining a permanent address/residence within the service area, (see 42 CFR §422.74(d)(4)). A M+C plan may determine that a move is permanent based on notification from the member or documentation of a change in permanent residence (e.g., voter registration or driver's license). Also, any move that is (or is projected to be) outside of the plan's service area for longer than 12 months is considered a permanent move. For additional information on permanent and temporary moves and continuation areas please refer to **OPL98.076 -- Continuation Area and "Visitor/Traveler Policy" for Medicare+Choice (M+C) Plans**

**Answer:**

The Part C regulations at 42 CFR 422.100(b)(iii) require that a M+C plan must pay for medically necessary dialysis from any qualified provider selected by an enrollee when the enrollee is temporarily absent from the plan's service area. A M+C plan cannot require prior authorization or advance notification for dialysis services as a condition of coverage when an enrollee is temporarily absent from the plan's service area. However, the M+C plan may request, only for purposes of coordination of care, that enrollees who require dialysis voluntarily advise the plan when they will be temporarily absent from the plan's service area. The plan may then use this voluntary notice to provide medical advice and to recommend qualified dialysis providers in the area the enrollee will be visiting.

However, the plan must clearly inform the beneficiary that the plan will pay for care from any qualified dialysis provider the beneficiary may independently select. The plan must ensure that enrolled beneficiaries who require dialysis services are fully and accurately informed regarding all of their rights and opportunities to obtain dialysis services.

Contact: HCFA Regional Office Managed Care Staff

This OPL was prepared by the Center for Health Plans and Providers